

# EXHIBIT 1

## FIRST AMENDMENT TO WASHINGTON CENTER LEASE AGREEMENT BETWEEN THE CITY OF DULUTH AND ST. JAMES HOME OF DULUTH, INC.

The Lease Agreement #22451 ("Lease Agreement") between the City of Duluth ("City") and St. James Home of Duluth, Inc., d/b/a Woodland Hills and Neighborhood Youth Services ("Lessee") (hereinafter collectively referred to as the "Parties") is amended as set forth below. Capitalized terms used in this Amendment, but not defined herein, shall have the same meaning ascribed to them as in the Lease Agreement.

WHEREAS, the Parties wish to amend the Lease Agreement to: (a) add Rooms 107 and 107E to the Exclusive Premises and (b) provide for the increase in rent due to the additional square footage of the Exclusive Premises.

NOW, THEREFORE, in consideration of the mutual benefits contained herein, the Parties agree to amend the Lease Agreement as follows:

A. Section 2(c) is amended as follows (deleting the strike-through language and adding the underlined language):

Exclusive Premises shall mean Rooms 100A, 100C, 102c 104, 106C, 107, 107E, and 107A of the Washington Recreation Center (~~3,000~~ 3,445 sq. ft.) located at 310 North First Avenue West.

B. Lessee's current yearly rate is \$3.15 per square foot. With the additional 445 square footage in the Exclusive Premises (Room 107 is 311 sq. ft. and Room 107E is 134 sq. ft.), Lessee's monthly rate for the period September 1, 2016 through December 31, 2016 shall be Nine Hundred Four and 31/100ths Dollars (\$904.31).

C. According to Section 4(a) of the Lease Agreement, Lessee's rent shall increase five percent (5%) for the period January 1, 2017 through January 31, 2017. Therefore, Lessee's yearly rate in 2017 shall be \$3.31 per square foot, and its monthly rate for the period January 1, 2017 through December 31, 2017 shall be Nine Hundred Fifty and 25/100ths Dollars (\$950.25).

D. The reduced rent payments set forth above are contingent upon Lessee's continuation of its Program Services throughout the term of the Lease Agreement and this Amendment. The monthly rental rate is all-inclusive for maintenance and utilities, except for the costs and duties identified in Section 3(b) of the Lease Agreement. All rental payments provided for this in First Amendment shall be in addition to any payment provided for elsewhere in the Lease Agreement.

Except as specifically amended pursuant to this First Amendment, the Lease Agreement remains in full force and effect. In the event of a conflict between the provisions of this Amendment and the provisions of the Lease Agreement, the provisions of this First Amendment shall govern.

IN WITNESS WHEREOF, the Parties have hereunto set their hands the day and date first shown below.

CITY OF DULUTH

ST. JAMES HOME OF DULUTH, INC.,  
d/b/a Woodland Hills and Neighborhood  
Youth Services

By: \_\_\_\_\_  
Mayor

By:  \_\_\_\_\_

Attest: \_\_\_\_\_  
City Clerk

Its:  \_\_\_\_\_

Dated: \_\_\_\_\_

Printed Name:  \_\_\_\_\_

Countersigned:

\_\_\_\_\_  
City Auditor

Approved as to form:

\_\_\_\_\_  
City Attorney